

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Delaware River and Bay Authority
Delaware Memorial Bridge Complex
Tuesday, October 15, 2019**

The meeting convened at 11:55 a.m. with Chairperson Lathem presiding.

The opening prayer was given by Chairperson Lathem, followed by the Pledge of Allegiance.

Chairperson Lathem called on the Authority Assistant Secretary to read the meeting notice. The Assistant Secretary announced that a notice of the meeting had been distributed to the offices of the Governor of New Jersey and the Governor of Delaware, to appropriate staff members and consultants, to the press in both States and to any other individuals who had indicated an interest in receiving a copy of the meeting notice.

Chairperson Lathem called for the acceptance of the Agenda

Chairperson Ford made a motion to accept the Agenda, seconded by Commissioner Ratchford and the motion carried by a voice vote of 11-0.

Chairperson Lathem called on the Assistant Secretary to take the roll.

Commissioners from Delaware

Samuel Lathem, Chairperson
Crystal L. Carey
Henry J. Decker - absent
James L. Ford III
Michael Ratchford
Veronica O. Faust

Commissioners from New Jersey

James N. Hogan, Vice-Chairperson
James Bennett
Sheila McCann
Shirley R. Wilson
Ceil Smith
M. Earl Ransome, Jr.

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11560. APPROVAL OF THE MEETING MINUTES

Commissioner Bennett made a motion to approve meeting minutes for September 17, 2019, seconded by Commissioner Ransome and approved by a voice vote of 11-0.

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11561. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Delaware City-Salem Ferry Crossing, and Food Services for September 2019.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11562. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expense for September with comparisons to the same period last year.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11563. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSES BY DIVISION.

The CFO presented charts for July and September showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11564. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of September showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11565. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) FOR SEPTEMBER 30, 2019.

The CFO presented charts indicating the cash fund balances for the entire Authority.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11566. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lathem noted (1) Contract Award, No Contract Close-Outs, and (5) Resolutions to be considered today. All action items have been reviewed and recommended for consideration during today’s Committee meetings. He then called for public comment.

There were no public comments.

11567. * * * * *

AWARD OF CONTRACT #CMLF-C19-03 –MAINTENANCE DREDGING – CAPE MAY TERMINAL

The Chief Operations Officer (COO) noted that a public bid opening was held on October 1, 2019. The COO and Projects Committee recommended awarding the contract to the lowest responsible bidder, Barnegat Bay Dredging Company, Inc. of Harvey Cedars, New Jersey in the amount of \$393,800.00.

A motion to award CONTRACT #CMLF-C19-03 to the aforementioned firm was made by Commissioner Ratchford, seconded by Commissioner Ford, and approved by a voice vote of 11-0.

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11568. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

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RESOLUTION 19-39 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commissioner review and approval of all Authority expenditures in excess of \$25,000; and

WHEREAS, the Authority anticipates expenditures at or over the \$25,000 amount to the following vendors:

DELAWARE RIVER & BAY AUTHORITY
 PROJECTED VENDORS TO BE PAID OVER \$25,000
 OPERATION EXPENDITURES
 FOR THE PERIOD 1/1/19 THROUGH 12/31/19

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
ABCO Refrigeration Supply Corp.	Replacement AC Compressor for ILG Hangar 9 and Circuit Boards and Fuses for M/V New Jersey	Committee Waiver	\$26,000
The Convention News Company, Inc.	Airport Advertising Services	Sole Source	\$27,000
Gen-el Safety & Industrial Products	Air Monitoring Systems	State Contract	\$80,000
Lionetti Associates, d/b/a Lorco Petroleum Services	Petroleum Recycling Services and Oil Filters at CMLF	Committee Waiver	\$45,000
Midway Trailers, Inc., d/b/a MO Great Dane	Emergency Response Trailer	GSA Contract	\$79,000
Perna Finnigan, Inc.	Utility Construction Services at Cape May Terminal	Committee Waiver	\$26,000

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to the above-listed vendors for the described purposes and authorizes payment.

A motion to approve Resolution 19-39 was made by Commissioner Ransome, seconded by Commissioner Wilson, and approved by a roll call vote of 11-0.

Resolution 19-39 - Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2019 through December 31, 2019.

Committee: Budget & Finance

Committee and Board Date: October 15, 2019

Purpose of Resolution:

Authorizes expenditures of \$25,000 or greater with the identified vendors during the 2019 calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchases:

ABC Refrigeration Supply Corp.: Replacement AC Compressor for ILG Building 9 and Circuit Boards and Fuses for M/V New Jersey

The Authority purchased various HVAC circuit boards and fuses to replace those destroyed during an electrical power surge aboard the M/V New Jersey. The Authority purchased a new AC compressor for tenant hangar 9 at ILG. None of the individual purchase events warranted a public bid process, however the aggregate amount elicits notification of the Board per Resolution 01-84. In accordance with Resolution 98-31 part 3, the Authority thus requests that the Budget and Finance Committee waive the \$25,000 threshold for this vendor in 2019.

The Convention News Company, Inc.: Airport Advertising Services

The Authority purchased an advertorial insert for placement in the August issue of "Solutions in Business Aviation" and plans to advertise in the "Convention News Daily" publication during the upcoming annual Business Aviation Convention and Expo. The advertising is meant to attract the attention of businesses who may be interested in the Authority's airport opportunities in the Northeast Corridor. The subject matter of the aforementioned publications correlate directly to the Authority's airport business.

Gen-el Safety & Industrial Products: Air Monitoring Systems

The Authority intends to purchase various portable and permanent air monitoring devices for use at its facilities. Permanent units will be strategically installed and calibrated to detect ethylene oxide and report the general air quality at the DMB facilities. The portable units will enable the Authority to quickly deploy the testing equipment in the event of a major spill or offsite incident. Gen-el Safety & Industrial Products is party to a competitively-bid state contract to supply the equipment to be purchased and offers the Authority the equipment at matching rates (GSS18795-PPE_DVC_SV, Public Safety PPE, Devices and Services).

Lionetti Associates, d/b/a Lorco Petroleum Services

The Cape May-Lewes Ferry uses Lorco Petroleum Services throughout the year for the disposal of oily water and contaminated diesel fuel, and for oil filters and related supplies for the vessels. None of the individual purchase events warranted a public bid process, however the aggregate amount elicits notification of the Board per Resolution 01-84. In accordance with Resolution 98-31 part 3, the Authority thus requests that the Budget and Finance Committee waive the \$25,000 threshold for this vendor in 2019.

Midway Trailers, Inc. d/b/a MO Great Dane: Emergency Response Trailer

The Authority intends to purchase a new custom-built aluminum Emergency Response Trailer specifically designed for hazardous material responses such as spills and accidents, or for use as a mobile command center in the event of a large event either at the bridge or other Authority facility. The rear of the trailer will store hazardous response equipment and supplies, so during an emergency our personnel will have the ability to quickly hook-up and respond to the incident. As part of its due diligence the Authority attained several quotes on comparable custom builds and used models. Midway Trailers, Inc. is party to a competitively-bid General Services Administration contract (GS-30F-014DA: Automotive Superstore; Trailers and Attachments and Special Vocation Vehicles and Attachments) and offers the Authority the equipment at rates matching their GSA Schedule contract.

Perna Finnigan, Inc.: Utility Construction Services at CMLF

During construction of the Ferry Fueling System project at Cape May Terminal, it was discovered that work outside of the scope of the project (damaged water line) would be required in order to advance. The Authority contracted directly with Perna Finnigan to repair the water line. Perna Finnigan had assisted with water line work at the terminal earlier in the year. Neither of the individual purchase events warranted a public bid process, however the aggregate amount elicits notification of the Board per Resolution 01-84. In accordance with Resolution 98-31 part 3, the Authority thus requests that the Budget and Finance Committee waive the \$25,000 threshold for this vendor in 2019.

Purchase Classification Definitions:

Committee Waiver. The Budget and Finance Committee in consideration of the overall procurement process, operational needs and issues, the need for uniformity and continuity in materiel and services

required by the Authority, the unique and special needs of the Authority including, but not limited to, the desirability of owner furnished materiel and supplies in vessel repair, maintenance, renovation and rehabilitation, may increase or waive the thresholds established in paragraphs 1 and 2 of Resolution 98-31. (DRBA Resolution 98-31 Part 3).

GSA Contract. A purchase of equipment, supplies or non-professional services which, under normal circumstances, would require competitive bidding, however the vendor has agreed to provide the goods or services to the Authority at fees less than or equal to that vendor's respective contract as awarded by the US General Services Administration. In accordance with Resolution 11-36, this purchase classification includes those "*...purchases from cooperatives and/or the piggy-backing of existing publicly-bid contracts for state and governmental entities which State of Delaware or New Jersey may or may not individually publicly advertise*".

Quotes. A purchase of equipment, supplies or non-professional services or a contract for construction or construction management that is anticipated to cost between \$25,000 and \$49,999 during a calendar year and for which the Authority has solicited written quotes. "*Contracts for materiel and supplies and non-professional services, awarded to any [vendor for an amount of] more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less... Construction management contracts or construction contracts...which are less than \$50,000 do not require formal solicitation of competitive prices and, if more than \$25,000 but less than \$50,000 require the solicitation of three written quotes or all available sources, whichever is less...*" (DRBA Resolution 98-31 Part 4).

Sole Source. A purchase made without a competitive process, based on the justification that only one known source exists or that only one single supplier can fulfill the requirements of the Authority. Sole source procurement is appropriate when the goods or services being acquired: are uniquely qualified to meet the objectives of the Authority; must be compatible with existing equipment; are available within a limited geographic boundary (e.g., distributor with exclusive rights or sales area); are required for use in conjunction with a grant or contract, etc. "*A contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only one source for the required contract and no other reasonable alternative sources exist that will satisfy the requirements of the Authority*". (DRBA Resolution 98-31 Part 2.f.)

State Contract. A purchase of equipment, supplies or non-professional services which, under normal circumstances, would require competitive bidding, however the vendor has agreed to provide the goods or services to the Authority at fees less than or equal to that vendor's respective contract as awarded by the State of Delaware or New Jersey. "*Any contract for the purchase of materiel and supplies and non-professional services....which contract individually exceeds \$50,000, or in the combination with other contracts, exceeds \$50,000 in any one calendar year shall be pursuant to a contract entered into by the Authority after competitive bidding. This provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.*" (DRBA Resolution 11-36 Part 2.a.).

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RESOLUTION 19-40 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND OMG ON THE ROCKS DINING, LLC T/A GRAIN CRAFT BAR + KITCHEN ON THE ROCKS, A WHOLLY OWNED SUBSIDIARY OF OMG DINING LLC.

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the Cape-May Lewes Ferry (“CMLF”) which includes the terminal building located in Lewes, Delaware (the “Lewes Terminal Building”); and

WHEREAS, OMG Dining LLC, a Delaware limited liability company, owned by P. Lee Mikles and Jim O’Donoghue, through its subsidiary OMG On the Rocks, LLC T/A Grain Craft Bar + Kitchen On the Rocks (“Grain”), desires to lease approximately 10,480 rentable square feet of space in the Lewes Terminal Building and 6,705 rentable square feet of contiguous patio space (the “Leased Premises”); and

WHEREAS, the Leased Premises is being leased in its “as-is” condition and Grain commits to undertake at least One Million Dollars (\$1,000,000) of capital improvements in the first two lease years; and

WHEREAS, the initial term of the lease is ten (10) years with both parties having the option to mutually agree to extend the lease for two additional periods of five (5) years each; and

WHEREAS, Grain has agreed to pay the Authority One Hundred and Sixty-Nine Thousand dollars (\$169,000) annual base rent during the first year of the lease; and

WHEREAS, annual base rent shall increase at a rate of two and one half percent (2.5%) per year for lease years two through ten; and

WHEREAS, Grain has agreed to pay the Authority percentage rent at a rate of twelve and one half percent (12.5%) of gross revenues (excluding alcoholic beverages) above One Million Dollars (\$1,000,000) and fifteen percent (15%) of gross revenues (excluding alcoholic beverages) above One Million Five Hundred Thousand Dollars (\$1,500,000) up to a limit of ten percent (10%) of total gross revenues; and

WHEREAS, rent shall be adjusted at the beginning of each renewal term to the fair market value; and

WHEREAS, OMG Dining LLC, a Delaware limited liability company, the parent company of OMG On the Rocks LLC, and G. Lee Mikles and Jim O’Donoghue agree to guarantee the obligations under the lease.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Grain and, with the advice and consent of

counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 19-40 was made by Commissioner Ford, seconded by Commissioner Wilson, and approved by a roll call vote of 11-0.

Resolution 19-40 - Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and OMG On the Rocks, LLC T/A Grain Craft Bar + Kitchen On the Rocks, a wholly owned subsidiary of OMG Dining LLC.

Committee: Budget & Finance

Committee/Board Date: October 15, 2019

Purpose of Resolution: To authorize a lease agreement with a wholly owned subsidiary of OMG Dining LLC, a Delaware limited liability company, which is owned by Lee Mikles and Jim O’Donoghue, to operate a restaurant in the Lewes Terminal Building of the Cape-May Lewes ferry.

Background for Resolution: The Authority circulated a Request for Proposals to lease the restaurant space in the Lewes Terminal Building in Lewes, Delaware and received and evaluated proposals submitted by the following firms:

- Airport Retail Development, LLC.
- Big Fish Restaurant Group.
- Grain Craft Bar & Kitchen.
- La Vida Hospitality Group.
- Starboard Restaurant Group.

The Authority carefully reviewed the proposal submission of each firm, interviewed all five, and utilized evaluation criteria to establish a ranked list, with Grain Craft Bar & Kitchen unanimously being ranked highest. The Authority conducted an analysis of the market to analyze the scope of proposal, and negotiated with said firm to provide compensation to the Authority in the form of base rent plus a share of revenues, at a rate determined to be fair and reasonable.

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RESOLUTION 19-41 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORP.

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the New Castle Airport (“Airport”); and

WHEREAS, Dassault Falcon Jet – Wilmington Corp. (“Dassault”) currently leases 40% of the space in the facility commonly referred to as 17 DRBA Way under a short term agreement; and

WHEREAS, Dassault desires to continue to lease this space for an additional one (1) year term; and

WHEREAS, Dassault also desired two (2) additional one (1) renewal options; and

WHEREAS, rent during the initial term shall be One Hundred and Forty-Seven Thousand and Thirty-Seven 08/100 dollars (\$147,037.08) annually; and

WHEREAS, rent during each additional renewal term shall increase by the Consumer Price Index (CPI); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Dassault Falcon Jet – Wilmington Corp. with the advice and consent of Counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 19-41 was made by Commissioner Ratchford, seconded by Commissioner Carey, and approved by a roll call vote of 10-0. Commissioner Faust abstained from voting.

Resolution 19-41 - Executive Summary

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and Dassault Falcon Jet – Wilmington Corp. regarding the New Castle Airport

Committee: Economic Development

Committee Date: October 15, 2019

Board Date: October 15, 2019

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Amendment for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority currently leases space to Dassault in this facility under a short term lease agreement. Dassault also leases various other parcels at the airport to include a 16+/- site for a Maintenance and repair facility. Dassault has requested to extend this agreement beyond the short term agreement for an additional 1 year time frame along with 2 optional renewal terms for 1 year each. The rent for each of these terms shall be increased by the CPI.

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RESOLUTION 19-42 – AUTHORIZING THE APPROVAL OF A MEMORANDUM OF AGREEMENT MODIFYING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 542, FOR POLICE DISPATCHERS

WHEREAS, The Delaware River and Bay Authority (the “Authority”) operates the Delaware Memorial Bridge, Cape May-Lewes Ferry, Forts Ferry Crossing, and five (5) airport facilities; and

WHEREAS, certain maintenance, airport, tolls, and food service employees voluntarily designated the International Union of Operating Engineers, Local 542 (“Local 542”), to represent them in an election on September 23, 2004; and

WHEREAS, the Authority and Local 542 negotiated and executed a Collective Bargaining Agreement (the “Agreement”) which expires on December 31, 2022; and

WHEREAS, the purpose of the Agreement was to promote and maintain a harmonious relationship between the Authority and its employees; and

WHEREAS, the Police Dispatchers by secret ballot election have voted to be represented by Local 542; and

WHEREAS, the Authority and Local 542 have negotiated a Memorandum of Agreement to include the Police Dispatchers in the current Collective Bargaining Agreement; and

WHEREAS, the Personnel Committee has reviewed the terms of the Memorandum of Agreement and has recommended approval thereof by the Commissioners; and

WHEREAS, the provisions of this Memorandum of Agreement shall be retroactive to January 1, 2019, and expire on December 31, 2022; and

WHEREAS, the Authority desires to approve the New Agreement.

NOW, THEREFORE, BE IT RESOLVED, that with the advice of Counsel, the Chairperson, Vice Chairperson, and Executive Director are hereby authorized and directed to execute such Agreement.

A motion to approve Resolution 19-42 was made by Commissioner Smith, seconded by Commissioner Ratchford, and approved by a roll call vote of 11-0.

Resolution 19-42 - Executive Summary Sheet

Resolution: Authorizing a Memorandum of Agreement between the Delaware River and Bay Authority and International Union of Operating Engineers, Local 542

Committee: Personnel Committee

Committee/Board Date: October 15, 2019

Purpose of Resolution:

To approve a memorandum of agreement modifying the current collective bargaining agreement between Delaware River and Bay Authority (the “Authority”) and the International Union of Operating Engineers, Local 542 (“Union”).

Background for Resolution:

The Authority and Union concluded negotiations on August 7, 2019 with a Memorandum of Agreement that incorporates the Police Dispatchers into the current Local 542 Collective Bargaining Agreement, as follows:

1. Provisions expire December 31, 2022;
2. No change in the 2019 wage scale;
3. The six current Police Dispatcher salary bands are combined into three, effective January 1, 2020;
4. A 2020 wage scale increase of \$1,000 plus 1.0%, effective January 1;
5. A 2021 wage scale increase of \$1,000 plus 1.0%, effective January 1;
6. A 2022 wage scale increase of \$1,000 plus 1.0%, effective January 1;
and
7. No change in current Police Dispatcher schedules and work rules.

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RESOLUTION 19-43 – AUTHORIZING AMENDMENTS TO THE AUTHORITY’S FULL-TIME EMPLOYEES’ HEALTH CARE COST SHARING

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey that owns, operates and controls the Delaware Memorial Bridge, the Cape May-Lewes Ferry, the Forts Ferry and five (5) regional airports; and

WHEREAS, the Authority is committed to providing its employees and retirees a comprehensive core benefit program, in order to attract and retain a high quality work force; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefit programs; and

WHEREAS, the Authority is responsible for taking appropriate action to control core benefit program costs; and

WHEREAS, the Authority comprehensively reviewed employee cost recovery in 2007 and increased employee contribution percentages for 2008 to 2011 with percentage increments to reach overall 10% employee contribution under Resolution 07-48; and

WHEREAS, the Authority last adjusted employee contributions to health care in 2015 incrementally through 2019 under Resolution 15-28; and

WHEREAS, the Authority has instituted comprehensive reviews of health care costs and benefits on a biennial basis (2017 for 2018 and 2019; 2019 for 2020 and 2021) and will continue these reviews in the future, in order that there be a proper balance between the need to attract and retain a quality work force and prudent fiscal management; and

WHEREAS, the Personnel Committee has reviewed the proposed changes to the employee contribution rates and recommends approval thereof to the Commissioners;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the following employee premium cost share changes for all permanent full-time employees to be implemented effective January 1, 2020 as follows:

DRBA PLANS	% EMPLOYEE CONTRIBUTION
PPO (Highmark PPO)	14%
EPO (Highmark EPO)	8%
HDHP (Highmark HDHP/EPO with Health Savings Account (HSA))	6%

A motion to approve Resolution 19-43 was made by Commissioner Carey, seconded by Commissioner Ransome, and approved by a roll call vote of 11-0.

Resolution 19-43 - Executive Summary Sheet

Resolution: Authorizing Amendments to the Authority’s Full-Time Employees’ Health Care Cost Sharing

Committee: Personnel Committee

Committee Date: October 15, 2019

Board Date: October 15, 2019

Purpose of Resolution:
 To make changes to health care contributions by all permanent full-time employees and continue a biennial review of health care costs and benefits for Authority employees.

Background for Resolution:
 The Authority altered employee contributions to health care in 2007 under Resolution 07-48, adopting a revised schedule of employee contributions for the years 2007 through 2011 as follows:

Year	% EMPLOYEE CONTRIBUTION
2008	7%
2009	8%
2010	9%
2011	10%

From 2011 through 2015, the employee contribution percentages remained at 10% for all full-time employees.

Through Resolution 15-28, the Authority implemented changes to the employee contributions for the years 2016-2019 based on salary bands according to the following schedule:

	2016	2017	2018	2019
Up to \$50,000	9%	10%	11%	16%
\$50,001 and \$75,000	10%	12%	15%	20%
\$75,001 and \$100,000	11%	14%	18%	23%
\$100,001 and \$125,000	12%	16%	21%	26%
\$125,001 or more	13%	18%	24%	30%

Through the same resolution, the Authority has committed to re-evaluating health care costs and benefits according to the following schedule:

2017: evaluation to determine costs and benefits for years 2018 and 2019

2019: evaluation to determine costs and benefits for years 2020 and 2021

2021: evaluation to determine costs and benefits for years 2022 and 2023

The Human Resources Department with its Benefits Consultant has completed a comprehensive analysis of benefit costs and best practices and have reviewed the results with the Executive Director and the Sr. Leadership Team. This information in summary format has been presented to the Personnel Committee for review and comment. Highlights of this review are as follows:

Facts:

- J DRBA has its own health care plans for active employees and retirees (separate from the State of NJ and State of DE)
- J DRBA health care plans are self-funded and re-insured with both Specific and Aggregate stop-loss coverage
- J DRBA health care plans are NOT funded by revenue from either the States of NJ or DE (plan costs including claims and administration fees are funded out of the DRBA's annual Operating Budget)
- J DRBA has implemented Health Care Best Practices, as appropriate, to manage costs through annual review of benefit plan designs and vendor/carrier services
- J According to DRBA Finance, DRBA spends less for benefit costs than it did 10 years ago; accomplished through managing/controlling health care costs
- J DRBA currently offers two (2) health plan options -- the PPO and EPO -- and will add a third (3rd) plan option the High Deductible Health Plan (HDHP) with Health Savings Account (HSA) for 2020 as approved in Resolution 18-44
- J DRBA anticipates funding the HSA for participants who elect the HDHP option in 2020 in the flat amount of \$750
- J Rates for each health plan are differentiated based on the relative plan design differences between the plans
- J The 2020 health plan options offered by DRBA are comparable in design to plans currently offered by the States of NJ and DE
- J DRBA like the States of NJ and DE requires contributions from active employees toward each health plan

) State of Delaware requires contributions for comparable health plan options based on a **percentage (%) of the total plan costs**

DE PLANS	% EMPLOYEE CONTRIBUTION
PPO (Highmark Comprehensive PPO)	13.25%
EPO (Aetna HMO)	6.5%
HDHP (Aetna CDH Gold Plan with no Health Savings Account (HSA))	5.0%

State of New Jersey requires contributions for comparable health plan options **based on each employee's salary tier plus level of coverage**

NJ PLANS	SALARY TIERS	COVERAGE LEVELS
PPO (Aetna Freedom PPO)	17 salary tiers based on increments of \$5k each from (<\$20k) to (\$95k-\$100k) plus 9 additional bands based on either random salary tiers or salary maximums = 26 salary tiers	3 coverage tiers: Single – ranges <i>from 4.5% up to 35%</i> based on salary tier Member & Spouse or Parent & Child – ranges <i>from 3.5% up to 35%</i> based on salary tier Family – ranges <i>from 3.0% up to 35%</i> based on salary tier
EPO (Aetna HMO)		
HDHP (Aetna Value HDHP with unfunded Health Reimbursement Account(HRA))		

• DRBA currently requires contributions for comparable health plan options **based on each employee's salary tier or bargained status {salary tiers were implemented at NJ insistence in 2016 in concert with NJ's implementation of Chapter 78}**

DRBA PLANS	SALARY TIERS
PPO (Highmark PPO)	Bargained – 15%
EPO (Highmark EPO)	<\$50k – 16%
HDHP (Highmark HDHP/EPO with Health Savings Account (HSA))	\$50k < \$75k – 20%
	\$75k < \$100k – 23%
	\$100k < \$125k – 26%
	>\$125k – 30%

Note: Prior to 2016, DRBA required the same flat percentage (%) contribution for PPO or HMO plan options

) State of Delaware employs more than 15,000 Full-Time Employees (FTEs), State of New Jersey employs more than 75,000 FTEs, and the DRBA employs **415 FTE positions** (of which 376 are currently filled and 39 are vacant)

- **Current filled positions: 254 located in DE and 122 located in NJ**
- **Average Age: 46**
- **Average Years of Service: 10**
- **Average Annual Salary: \$67,581**

Proposal:

Effective 1/1/2020, DRBA wishes to implement a contribution strategy similar to the State of Delaware

-) Continuing the current contribution structure is administratively burdensome for DRBA based on the number of FTE workforce/positions
-) Current level of contributions appears to be adversely impacting DRBA's ability to attract and retain new workers to fill vacant positions

DRBA PLANS	% EMPLOYEE CONTRIBUTION
PPO (Highmark PPO)	<i>14%</i>
EPO (Highmark EPO)	<i>8%</i>
HDHP (Highmark HDHP/EPO with Health Savings Account (HSA))	<i>6%</i>

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11569. EXECUTIVE DIRECTOR'S COMMENTS

The Executive Director reported on events in and around the Authority as follows:

DMB Tidbits - September Traffic Count

All-time best September in Authority History (2017) + 1.3% or 19,000;
 5 out of the last 6 months were all time best months;
 YTD: 2019 v. 2018 – Up approximately 322,000 vehicles.

Ferry Facts

September 2019

Passengers up +18%, Vehicles up +16%, Fare Revenue +14%, Food and Retail up +29%;
 YTD: 2019 v. 2018 – Vehicles up +4%, Fare Revenue +3%, and Food and Retail +5%.

The Executive Director reported on the transport of the American flag from Ground Zero on the M/V DE Ferry. A picture displayed the American flag flying on the Ferry, which was a historical sight to see.

The 3rd Annual Charity Bridge Run took place on October 6, 2019 with 329 participants from law enforcement agencies supporting Special Olympics. The winner finished the race in 19:46 minutes.

Commissioner Ceil Smith was recognized for Outstanding Women in South Jersey by the Garden State Council Boy Scouts of America;

The Executive Director advised the Commissioners of the following upcoming events:

DRBA Awards Banquet, Saturday, October 26, 2019 begins at 6:00 p.m. at Dover Downs Hotel & Casino in Dover, DE;

Thursday, November 14, 2019 begins at 11:30 a.m. at The Flanders Hotel – Women of Wonder
 Commissioner Becki Wilson;

Tuesday, November 19, 2019 – Commission Meeting – 9:00 a.m. – James Julian Board Room.

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11570. COMMISSIONERS PUBLIC FORUM

Chairperson Lathem called for comments from the public and the Commissioners.

There were no comments.

There being no further business, Chairperson Lathem adjourned the meeting at 12:15 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Stephen D. Williams
Assistant Secretary